THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

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WRIT PETITION No.24127 of 1999

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Date:22.06.2007

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Between:

Sri Kumaraswamy Aqua Products Private Limited.

....Petitioner

and

The Deputy Registrar of Cooperative Societies and another.

....Respondents

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O R D E R:

The petitioner obtained loan from the second respondent for developing aqua culture in Momidi Village, Chilakur Mandal, Nellore District. Thereafter, it committed default in repayment of the loan. The second respondent initiated proceedings under Section 71 of the A.P. Cooperative Societies Act, 1964 (for short 'the Act') before the first respondent. On receiving the said proceedings, the first respondent issued a notice, dated 03.11.1999, requiring the petitioner to appear and show cause as to why the recovery certificate, as prayed for, by the second respondent shall not be issued. The same is challenged in this writ petition.

Heard Sri P.Sridhar Reddy, the learned counsel for the petitioner, the learned Government Pleader for Cooperation appearing on behalf of the first respondent and Sri A.H.Rama Krishna Rao, the leaned standing counsel for the second respondent.

The occasion to entertain a writ petition against a show cause notice would arise, if only, it is issued by an authority not vested with the power or conferred with the jurisdiction. It is not in dispute that the first respondent is conferred with the power under Section 71 of the Act to entertain the claims and to issue recovery certificates on being satisfied, on merits. As required under law,

the first respondent issued a show cause notice to the petitioner. Neither any lack of jurisdiction nor other serious infirmity in law is pointed out.

Therefore, the writ petition is dismissed.

In view of the fact that this Court granted interim order, the petitioner does not appear to have submitted its explanation to the show cause notice. Two (2) weeks time from today is granted to the petitioner to submit its application to the show cause notice. It shall be open to the first respondent to decide the matter on merits, duly taking into account all the contentions and pleas that may be put forwarded by the parties. There shall be no order as to costs.

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22.06.2007

kdl